

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 8/23/2016	(3) CONTACT/PHONE Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve Amendment No. 1 to the FY 2014-15 through 2016-17 contract with the State Department of Rehabilitation to convert the current administrative only contract to a case services contract, allowing more services to be provided directly to clients, with all other provisions remaining the same. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve Amendment No. 1 to the FY 2014-15 through 2016-17 contract with the State Department of Rehabilitation (DOR) to convert the current administrative only contract to a case services contract, allowing more services to be directly provided to clients, with all other provisions remaining the same.			
(6) FUNDING SOURCE(S) Mental Health Services Act	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { X } Consent { } Presentation { } Hearing (Time Est. ____) { } Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS { } Resolutions { X } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A { } 4/5 Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>03-18-2014</u> , item <u>4</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Anne Robin, LMFT, Behavioral Health Administrator

DATE: 8/23/2016

SUBJECT: Request to approve Amendment No. 1 to the FY 2014-15 through 2016-17 contract with the State Department of Rehabilitation to convert the current administrative only contract to a case services contract, allowing more services to be provided directly to clients, with all other provisions remaining the same. All Districts.

RECOMMENDATION

It is recommended that the Board approve Amendment No. 1 to the FY 2014-15 through 2016-17 contract with the State Department of Rehabilitation (DOR) to convert the current administrative only contract to a case services contract, allowing more services to be directly provided to clients, with all other provisions remaining the same.

DISCUSSION

The Health Agency's Behavioral Health Department began a cooperative program with the State Department of Rehabilitation (DOR) in 2006, through which the DOR has been providing collaborative employment services to assist people with severe psychiatric disabilities enter or re-enter the workforce. Behavioral Health qualifies and refers appropriate mental health clients to the DOR for evaluation for various vocational and employment related services. Additionally, Behavioral Health administers the contract for the program. The current contract, which covers fiscal years 2014-15, 2015-16, and 2016-17, allows for continued collaboration between the County and the Department of Rehabilitation field office in San Luis Obispo to increase access to specialized employment services and mental health supports.

Services include, but are not limited to, counseling and guidance, service coordination with other agencies, vocational exploration, benefits planning and counseling, specialized employment assessments in the community, college and university education, vocational training, job search and placement assistance. DOR also offers a number of various technical trainings to mental health staff twice a year as part of the cooperative contract. In addition to providing job placement services and training, DOR provides transportation assistance, clothing, tools and other items necessary to maintain employment.

This contract provides for three years of vocational rehabilitation services and continues DOR's mission to work with employers throughout the County and place individuals in positions that enable them to live independently in the community. A contract amendment is necessary when any budget change cannot be covered through the invoice claim adjustment process, or when any major category or detailed line item within the Service Budget and Budget Narrative of the original contract changes. This amendment is converting an administrative contract with the County into a case services contract which is considered to be a major category budget change item.

The contract currently is structured in an antiquated manner that does not make efficient use of funds for clients. The actual County administrative expenses of the contract have been far below budget the past several years. Staff determined that money could be reallocated from an over-budgeted administrative category to the case services category. This proposed case services contract is designed to provide direct services through a single Vocational Rehabilitation Service Center (VRSC), which is operated by Transitions-Mental Health Association (T-MHA) for the purposes of this contract. The recipients of these services are shared clients referred by the County to the Department of Rehabilitation for employment related services. Services may be provided by T-MHA at VRSC as well as out in the community. DOR

provides services including client coordination and intake processes while the County provides the administration of the contract. The goal of the program remains to prepare and assist clients served to obtain and maintain meaningful employment.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the State Department of Rehabilitation Standard Agreement as to form and legal effect.

FINANCIAL CONSIDERATIONS

The DOR contract budget is \$160,811 for FY 2016-17. The County will pay a cash match of \$34,253 paid from Mental Health Services Act (MHSA) vocational program funds. The remaining \$126,559 of the operating budget will be funded by the Department of Rehabilitation. Behavioral Health has included revenue of \$8,141 and expense in the amount of \$34,253 related to this item in the Adopted FY 2016-17 budget. The approval of this amendment does not affect the level of General Fund Support required by the Department.

The County will be paid for Administrative costs through the contract for the following: Cooperative Program Administrator equal to .013 County FTE, Cooperative Program Clinic Liaison equal to .031 County FTE, and Cooperative Program Financial Administrator at .058 County FTE during FY 2016-17. These administrative payments to the County will total \$8,141 during the remaining months of the contract and will offset a portion of the match component paid by the MHSA program. The budget for administrative payments during the first two years of the contract was a total of \$17,318 per year; the third year of the contract reflects a \$9,177 reduction in administrative payments, for a total of \$8,141.

The total budget for the third year of the contract remains the same as the original contract, however, while converting some of the County's administrative contract to a case services type contract, funds within categories have been reallocated so that less money is budgeted for administration costs for the County and more money budgeted is for actual case services dollars benefiting clients directly. As shown in the table below, some of DOR's case services contract funds (funds for individual client expenses) are also being reallocated to T-MHA's case services contract (funds for T-MHA to provide direct services to clients), and DOR will refer some of its consumers to T-MHA as a result.

The table below summarizes budget and funding for the current 3-year contract:

		FY 2014-15	FY 2015-16	Original FY 2016-17	Revised FY 2016-17	FY 2014-17 Total Revised Contract
<u>Cooperative Operating Budget</u>						
<u>PROGRAM COSTS</u>						
	Rehabilitation Counselor (DOR)	\$ 49,670	\$ 49,670	\$ 49,670	\$ 49,670	\$ 149,009
	Case Services (Individual Client Expenses)	\$ 93,823	\$ 93,823	\$ 93,823	\$ 30,984	\$ 218,630
	Case Services Contract (TMHA)	\$ -	\$ -	\$ -	\$ 72,016	\$ 72,016
	Total Program Costs	\$ 143,493	\$ 143,493	\$ 143,493	\$ 152,670	\$ 439,656
<u>PROGRAM ADMINISTRATION COSTS</u>						
	Program Administrator	\$ 5,650	\$ 5,650	\$ 5,137	\$ 1,284	\$ 12,585
	Program Clinic Liaison	\$ 7,441	\$ 7,441	\$ 6,645	\$ 2,492	\$ 17,374
	Program Financial Administrator	\$ 2,944	\$ 2,944	\$ 4,252	\$ 3,761	\$ 9,649
	Indirect Cost	\$ 1,283	\$ 1,283	\$ 1,283	\$ 603	\$ 3,169
	Total Program Administration Costs	\$ 17,318	\$ 17,318	\$ 17,318	\$ 8,141	\$ 42,777
Total Cooperative Operating Budget		\$ 160,811	\$ 160,811	\$ 160,811	\$ 160,811	\$ 482,433
<u>Cooperative Funding Sources</u>						
	SLO County Cash Match (21.30%)	\$ 34,253	\$ 34,253	\$ 34,253	\$ 34,253	\$ 102,759
	DOR Federal Grant Revenues (78.70%)	\$ 126,559	\$ 126,559	\$ 126,559	\$ 126,559	\$ 379,677
Total Cooperative Funding Sources		\$ 160,811	\$ 160,811	\$ 160,811	\$ 160,811	\$ 482,436

RESULTS

The cooperative employment program with DOR focuses on serving mental health clients in San Luis Obispo County clinics, with the intent to prepare clients to obtain and retain competitive employment. The Behavioral Health Services staff provides administrative support and acts as a liaison between the DOR and the County Mental Health system as part of their duties under this contract. Below are actual results for the first two years of the contract and the estimated results for FY 2016-17.

Clients Served

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Estimated
Total Number of Unduplicated Clients	65	93	45
Open Cases	44	53	20
New Individual Plans for Employment (IPE)	20	32	15
Closed Cases (Sustained employment > 90 days)	5	9	14

During FY 2014-15, five clients successfully found employment and maintained that employment for at least 90 days, which is then deemed a closed case by DOR. During FY 2015-16, nine clients successfully found employment and held their position for at least 90 days. It is estimated that 14 clients will successfully find employment, and hold that position for at least 90 days, during FY 2016-17. The Behavioral Health Department seeks to provide clients the appropriate level of care by matching services to clients' individual needs. The above mentioned contract provides the necessary resources to assure that clients are provided with vocational opportunities. Providing the most appropriate services to these clients increases their probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Department of Rehabilitation Contract Amendment